



Norman H. Bangerter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

DOGM
MINERALS PROGRAM
FILE COPY

August 31, 1989

TO: Minerals File

FROM: Holland Shepherd, Reclamation Soils Specialist HWS

RE: Dusty Mine Inspection, Don Randolph, M/037/063, San Juan County, Utah

I visited the Dusty Mine on August 31, 1989 with Ted McDougal of the Bureau of Land Management (BLM). We met at this site with a Mr. Don Randolph of Cortez, Colorado. Mr. Randolph is the lessee of the claims upon which this mine site is situated.

Mining and disturbance commenced at this site earlier the spring of 1989. No Notice of Intent was filed for the mining operation with either the BLM or DOGM. Letters were later sent by the BLM and DOGM to the claim holder asking the claim holder to either permit the mine site or have the mine operator do so. Upon being notified that there had been no permit issued for this site, the claim holder contacted us and the BLM. The claim holder also asked the lessee, Mr. Don Randolph, to contact us. A meeting was then set up at the site on the date given above.

The mine disturbance starts on a small half acre pad in SE1/4 of Section 36, T36S and R25E at the top of a very long road which runs down to the mine about 2.4 miles. The mine itself, is a disturbance of about 1.8 acres in SW1/4 of Section 35, T36S and 25E. The largest extent of disturbance is caused by the road itself which averages about 25 feet in width and approximately 2.4 miles long; 1.8 miles of road is on BLM land and .6 miles is on state land. The road disturbance is approximately 7.4 acres by itself. The total disturbance is 9.8 acres.

The mine access road has been radically upgraded within the last few months for the purpose of hauling ore out of the mine site. The road was in existence before the mine operation started up; however, the total disturbance was much less than it is now. The road has been dozed, graded and impacted by heavy ore trucks.

Page 2
Site Inspection
Dusty Mine
August 31, 1989

We drove down to the mine site with the operator. Upon reaching the mine site, we found a newly developed portal, actually pre-existing, but had been upgraded. We also found an old portal that was not used at all. It had caved in and become revegetated. Also, a small waste dump on the northeast edge of the mine pad was found and a small wooden trailer hut situated next to the waste dump along with various pieces of debris strewn around the site. Again, this area of the disturbance consists of about 1 1/2 acres.

During our discussions with Mr. Randolph, we were told that he would like to maintain the site, keep it open for possible future use. We advised him that in order to do so he would have to file a Notice of Intent with the BLM and do some maintenance and reclamation at the site to reduce the amount of disturbance, and upgrade the road and pads in regard to water erosion.

Portions of this site are situated on state land and federal land. The majority of disturbance however, is situated on federal land. In both cases, the disturbance does amount to over 5 acres, which means that the operator will have to file a plan of operations with the BLM and will have to file a Large Mine Operators NOI with DOGM. The operator will also be required to post a reclamation surety with DOGM.

Apparently, the story at this mine site goes something like this: The claim holder, E. B. Sanchez leased the property to Mr. Randolph, who we were meeting with onsite. Mr. Randolph then sublet the property to a Mr. John Smith and a Mr. Edward M. Carter. Apparently, Smith and Carter never followed up on the required permits or Notice of Intent with the BLM or the State. The lessee and the claim holder had no idea that the operator did not follow through with the proper commitments. Smith and Carter later left the area, one person leaving the country, and ultimately leaving the claim holder and lessee holding the bag. Unfortunately, it is now up to the claim holder and the lessee to follow through with the proper commitments to be made at this site. The disturbance is a great deal more extensive than either Mr. McDougal or myself first anticipated. It is also unfortunate now, that the responsible parties left holding the bag might have to permit and post a reclamation surety for this site.

Page 3
Site Inspection
Dusty Mine
August 31, 1989

In regard to the mine access road, this road only accesses the mine site. However, in the past, other claim holders have used this road to access and do assessment work on their claims. It has also been used by sportsmen and possibly tourists before the mine operation. Because of the radical upgrading of the surface of the road, and resulting extensive disturbance, ultimately the parties responsible for this site and the road will have to reclaim the road in its entirety. The obligation to reclaim this road could be waived if another party took over the responsibility of its reclamation, in other words, a claim holder or another operator who wanted to use this road.

The BLM and DOGM will go over the results of this inspection and come to a decision in the near future regarding the requirements to be asked of the operator. The decision that has to be made, has to do with the total acreage of disturbance and what exactly the Division and the BLM plan to do in this regard.

jb
cc: Lowell Braxton
MN4/174-176